DOCUMENT RESUME

ED 268 240 CE 043 925

AUTHOR	McLaughlin, Henry
TITLE	Organisation Systems. Supervising: Principles and Practice of Supervision. The Choice Series #16. A Self Learning Opportunity.
INSTITUTION	Northern Regional Management Centre, Washington (England).
SPONS AGENCY	Manpower Services Commission, London (England).
REPORT NO	ISBN-0-948023-29-5
PUB DATE	85
NOTE	83p.; For related documents, see ED 266 310-312 and CE 043 921-948.
AVAILABLE FROM	Northern Regional Management Centre, Derwent House, Washington Town Centre, Washington, Tyne & Wear NE38 7ST, England ($15.00 plus postage; 15% discount on 50, 25% on 100; includes audiotape).
PUB TYPE	Guides - Classroom Use - Materials (For Learner) (051)
EDRS PRICE	MF01 Plus Postage. PC Not Available from EDRS.
DESCRIPTORS	*Administrator Responsibility; Adult Education; Behavioral Objectives; Learning Activities; Management Development; Management Systems; *Organization; Organizations (Groups); *Power Structure; Self Evaluation (Individuals); Student Evaluation; *Supervision; Supervisor Qualifications; *Supervisory Methods; *Supervisory Training
IDENTIFIERS	*Authority; Great Britain

ABSTRACT

This learning unit on organization systems is one in the Choice Series, a self-learning development program for supervisors. Purpose stated for the approximately eight-hour-long unit is to enable the supervisor to distinguish between responsibility and authority and see how they relate to each other, understand how responsibility and authority are affected by different forms of organization, and identify and compare formal and informal relationships within an organization. An introduction provides an overview of the unit and lists unit objectives. Parts A through C contain informative material, activities and answer keys, self-checks and answer keys, and a summary. Topics include a framework for organization, developing an organization, and relationships in organizations. Part D contains performance checks--an end check to be completed alone and a tutor check and work-based project. Part E consists of a brief unit review, extensions (print sources of additional information, such as units or sections in books), and a list of references. (YLB)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED268240

An Open Tech Project

SUPERVISING

PRINCIPLES AND PRACTICE OF SUPERVISION

16: Organisation Systems

U.S. DEPARTMENT OF EDUCATION
NATIONAL INSTITUTE OF EDUCATION
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

☑ This document has been reproduced as received from the person or organization originating it.

☐ Minor changes have been made to improve reproduction quality.

• Points of view or opinions stated in this document do not necessarily represent official NIE position or policy.

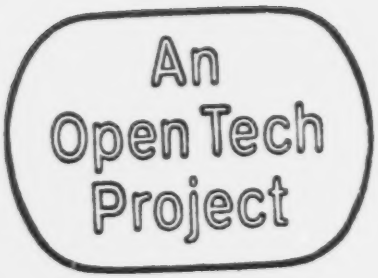
"PERMISSION TO REPRODUCE THIS MATERIAL IN MICROFICHE ONLY HAS BEEN GRANTED BY

H Gardner

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

16: ORGANISATION SYSTEMS

Henry McLaughlin



The CHOICE programme is an Open Tech sponsored project managed by the Northern Regional Management Centre in conjunction with the Northern Consortium of Colleges and the National Examinations Board for Supervisory Studies.

© Crown Copyright 1985 Published by permission of the Controller of Her Majesty's Stationery Office.

ISBN 0 948023 29 5

First published in the U K - 1985

Northern Regional Management Centre
Derwent House, Washington Town Centre
Washington, Tyne & Wear NE38 7ST

This Work was produced under an Open Tech contract with the Manpower Services Commission. The views expressed are those of the authors and do not necessarily reflect those of the MSC or any Government Department.

All rights reserved. No part of this book may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopying, recording or by any information storage and retrieval system, without permission in writing from the publisher.

Henry McLaughlin
Organisation Systems (16 in the CHOICE SERIES of learning units)

Series Editor: Harry V Pardue
Northern Regional Management Centre

CONTENTS PAGE

PART A A FRAMEWORK FOR ORGANISATION

1. Introduction 2
2. Authority 2
3. Responsibility 5
4. Summary 14

PART B DEVELOPING AN ORGANISATION

1. Introduction 17
2. Natural Development 17
3. Traditional Structures 30
4. Other Structures of Organisation 40
5. Summary 46

PART C RELATIONSHIPS IN ORGANISATIONS

1. Introduction 47
2. Formal Relationships 47
3. Informal Relationships 53
4. Summary 62

PART D PERFORMANCE CHECKS

1. End Check 65
2. Tutor Check 69
3. Work Based Project 71

PART E UNIT REVIEW

1. Return to Objectives 72
2. Extensions 74
3. References 76

WORKING GUIDE TO THIS UNIT IN YOUR DEVELOPMENT PROGRAMME

This Unit is now your personal property - it's not for handing back to your training officer or to a tutor. It is your working book.

The Contents will increase in value to you each time you write on one of its pages. This is a working text for your personal notes - without notes its value is limited.

Qualifications forget about certificates and diplomas - you don't need them for this programme. What you do need is the wish:-

* to do your job better
* for personal development

Your study time is really up to you - we guess you will need about 8 hours in total. But it's your time - spend as long as you like.

How am I doing? you can judge for yourself by checking out how well you cope with the tasks we call Activities and Self Checks which occur throughout the unit. You can also get the Tutor Check and/or the Work Based Project to your tutor for an unbiased view of your progress.

Work Pace it's really up to you and depends on your interest. However, if you do well on the Activities and Self Checks, you could afford to speed up a little. Of course, if you don't do as well as you expect then you could slow down a little or flick back into the unit for a quick review of the more difficult ideas.

When in doubt - ask or seek help from:

* your family and friends
* colleagues at work
* your company training staff
* other open learners
* your tutor, by phone, by a visit to your support centre or by dropping your tutor a line through the post.

Don't worry if what you learn doesn't seem to be of use to you now, remember that times change - it may be useful one day. Anyway, just knowing more improves personal confidence.

So now make a start:-

16: ORGANISATION SYSTEMS by Henry McLaughlin

ABOUT THIS UNIT

As a supervisor you will be aware that, in your workplace, people have different responsibilities and authority over others. If you have worked for more than one firm you will realise that things work differently in different firms and therefore, presumably, different systems of organisation are in operation.

IN THIS UNIT WE WILL

* Examine how responsibility and authority relate to each other
* Understand how responsibility and authority are affected by different forms of organisation
* Identify and examine formal and informal relationships within an organisation.

AUDIO TAPE Side 1

Before you continue through the unit, you should listen to side 1 of the audio tape that accompanies the unit. You will find it useful if you refer to the unit objectives shown below whilst you listen to the tape. You may wish to make the objectives clearer to yourself by making a note or two on the page as you listen.

OBJECTIVES

When you have worked through this unit you will be better able to:

* Distinguish between responsibility and authority and see how they relate to each other
* Compare these relationships in different forms of organisations
* Appreciate how the extent of a supervisor's authority varies within different organisations
* Identify and compare the benefits of formal and informal relationships within organisations
* Operate effectively within your particular organisation.

PART A A FRAMEWORK FOR ORGANISATION

1 Introduction

In your job as supervisor you will realise that you can exercise control over your work team and that other people control what you can do.

In many ways you often feel like a "middleman" and this is not always a pleasant position. You can control some things but you are also aware of the limitations imposed by "those above" you in the firm. Often you will find yourself wondering:-

* "What authority do I have?"
* "Is this really my responsibility?"
* "Do I have to do that?"

This can lead to frustrations which affect your relationships and performance at work.

Let's now look at these things in a little more detail.

2 Authority

What is authority and how do you know if you have it?

Many people see it as a position of strength which they use to impose or dictate their will on others. Only the Chief Executive or General Manager will have complete authority over the work force.

Others in the management team will have been given authority for specific tasks so that the organisation runs more smoothly.

eg you have authority over your work team - you can control what and how they operate
your boss has authority over you - he/she can control what you do

Other people in the organisation have authority to control specific things like safety, security, quality control. In doing their job they may influence or affect you.

ACTIVITY 1
Time guide
5 mins

Make a note of three people in your firm who can direct what you do at work. Show also what they have authority for. eg Safety officer - ensures safe working practices.

	OFFICIAL	-	PURPOSE
*	_____		_____
*	_____		_____
*	_____		_____

At this stage our answers to the question may vary but I'm sure we are on similar lines. You have probably identified positions like

* Factory Manager

* Production Controller

* Personnel Manager

* Sales Manager

* Managing Dirctor

* Departmental Manager

or people in similar positions.

The main thing is that they each have authority over others

eg The Factory Manager may have control over all aspects of production and therefore control over all the supervisors wherever they work (eg production, stores). However, specialist activities such as safety or security may be dealt with by someone else eg The security oficer may have complete control over all aspects of security.

It should be becoming clear that authority is

"The right to direct the work of others"

If you are to direct others this will involve you in making decisions if the work is to be carried out speedily and efficiently.

However this does not mean you do what you like. A supervisor must operate within the limits of authority given to him. This should be made clear when you first take on the job. You need to know:

What you can direct - what you can't

What decisions you can or can't make.

Authority is handed down to you by senior management.

In certain cases you will realise that you do not always have the right to make any decisions and have to seek help from your boss. At other times this may not be as clear. You may over-step the limits of your authority and cause problems for yourself or others by doing so.

So, although authority gives you:

* The right to make decisions and direct the work of others there will almost certainly be limits to how much control you have over the work of others and the decisions you can make.

eg While the supervisor may have the right to decide and organise the duties of his work team it is unlikely that this will involve the selection of individuals who work in the team.

This would probably be the responsibility of someone in the personnel department.

ACTIVITY 2
Time guide
10 mins

Make a list of those things which you have authority for and some things which you have no authority for

Things which I can make decisions about

* _____
* _____
* _____
* _____
* _____
* _____

Things which I cannot make decisions about

* _____
* _____
* _____
* _____
* _____
* _____

Since I don't know the nature of your job it would be difficult for me to tell what your answers might be. Here are some suggestions.

You probably have authority for:

* work schedules
* training new employees
* supervision of workers
* ensuring levels of productivity
* ordering from stores

You probably have no authority for:

* selection of employees
* wage levels
* financial matters
* marketing
* maintenance of plant

So let's review what we know about authority.

* Authority is given to you by your supervisor
* Authority is the right to make decisions and direct the work of others under your control
* Authority is not ultimate power: it has limits
* Authority operates at different levels in the firm

3 Responsibility

Responsibility is a word which has all sorts of meanings. Let's have a look at some of them.

ACTIVITY 3
Time guide
2 mins

Jot down in a few words what you think is meant by 'a responsible person'.

Perhaps you've used words like 'sensible', 'conscientious', 'someone you can rely on', 'dependable', even 'hard-working'. We form a mental picture of somebody who is all these things and, if we think about it, this is the sort of person we probably hope we seem to be at work. That is, that we have a committed, sensible and hard working approach to the job, which is probably how you came to be a supervisor in the first place.

So part of what we mean by 'responsibility' is the commitment to behave in this sort of way at work.

But let's look at 'responsible' again.

ACTIVITY 4
Time guide
2 mins

Jot down in a few words what you think is meant this time by 'responsible'. 'John is responsible for processing export orders'.

Perhaps this time you said something like

'It's John's job to process export orders'.

or 'John's in charge of processing export orders'.

or even (if there's trouble)

'John carries the can for processing export orders'.

Responsibility also means being accountable, having an obligation to carry out certain things or to see that certain jobs are done.

How much we behave as 'responsible' people at work is a very personal matter and will vary from one person to another and, perhaps, from one situation to another. What our responsibilities are for the job, however, isn't a matter of personal judgement. You accept responsibility with the job and you can't wriggle out of it.

So, when we use the words 'responsible' and 'responsibility' in this unit, keep both these meaning in mind:

your personal commitment to your job

and

the things you do at work which you have to account for.

We can agree, I hope, that everybody at work has some responsibilities. As a supervisor, you're probably very much aware of yours.

Let's have a look at them for a moment.

1) A supervisor is responsible for those under his control

and

2) is responsible to his section head or department manager

Let's deal with each aspect separately.

* Who is the supervisor responsible for?

A supervisor is responsible for those under his control - that is the people in the workteam.

But in what way precisely is the supervisor responsible for the workteam?

ACTIVITY 5
Time guide
3 mins

Jot down three or more aspects of your workteam's performance at work for which you feel you are responsible.

eg * work routine

* _____

* _____

* _____

* _____

* _____

What aspects of the job you have picked on will depend to some extent on your particular job but a typical list would include things like this:

* Work Routines
* Morale
* Discipline
* Welfare
* Safety
* Training
* Procedures

However your responsibilities may extend to more than the work team.

You may have responsibilities for such things as costs, machinery, materials and the workplace itself.

Let's list these things and identify some of the responsibilities a supervisor may have for each.

Possible Responsibilities

Costs	-	Keeping within budgets
Machines	-	Maintenance, operation
Materials	-	Ordering supplies, avoiding waste, checking suitability
Workplace	-	Tidiness, layout, organisation, housekeeping

This analysis has produced a fairly wide range of things that a supervisor may be responsible for, perhaps some of them apply to your job.

However, you may feel that these responsibilities belong to somebody else in the organisation, or at least, are only yours in part.

For example:

Maintenance	-	you may be partly responsible for maintenance but would call in somebody else as necessary who can work quicker and more knowledgeably than you and who is responsible for maintenance.
Staff Welfare	-	you are responsible for the welfare of your workteam. But real help may need more than sympathetic listening. Somebody else may have to share the responsibility.

If you have had some difficulty pinning down exactly what you're responsible for, you might find it useful to start by thinking about what you have been given <u>authority</u> for.

That will indicate what your boss sees as the extent of your job and your responsibilities should relate to that.

Let's deal with the second aspect of responsibilitiy.

* Who is the supervisor responsible to?

You are responsible to the person immediately above you in the organisation. This may be a foreman, section head or department manager depending on the organisation. Your immediate boss may be called something different from any of these as job titles very from one organisation to another.

<u>Everybody</u> in an organisation is responsible to somebody at a higher level.

eg * The supervisor to the department manager
* The department manager to the factory manager
* The factory manager to the general manager
* The general manager to the managing director

The managing director, of course, will ultimately be responsible for all things in the business, but he will have to answer to the owners of the business.

Maybe you would like to think about this process in the organisation you work for.

ACTIVITY 6
Time guide
2 mins

What is the job title of the person you are responsible to?

_____

What is the job title of the person your boss is responsible to?

_____

So as a supervisor you are responsible to your manager for making sure certain work is done, whether you do it yourself or organise your workteam to do it.

Comments like:

* "See to it personally Bill"
* "I'm making you responsible for this"
* "Make sure those deadlines are met"
* "That's your job, not mine"

identify situations where your responsibility is being emphasised. It is now up to you to get things done and you will "carry the can" if it's not.

ACTIVITY 7
Time guide
5 mins

Make a list of five things which you are responsible for at work.

* _____
* _____
* _____
* _____
* _____

Here are some suggestions of things that most supervisors are responsible for:

* Meeting production targets
* Quality control
* Staff morale
* Discipline within the work team
* Safety of your workteam
* Ordering supplies
* Records eg stock sheets, time sheets, production figures

You may find that your ability to carry out your responsibility is restricted by lack of authority over others. I hope this is rare, but let's look at a possibility.

> You have been asked for an additional 10 items by tea-time, to meet a rush order. This means additional supplies of materials which you can get from stores. The office staff have gone home for the day and the stores manager refuses to issue materials without a proper requisition which you can only get through the office.

ACTIVITY 8
Time guide
4 mins

Jot down

* What you are likely to feel is your main responsibility in this situation

  _____

* What the stores manager is likely to feel is his main responsibility

  _____

* Would you have any authority to make the stores manager supply the materials you want?

This is a situation where there could be considerable conflict. You will probably feel that your main responsibility is to meet the additional order, but the stores manager may well feel that his main responsibility is a proper accounting for all stock issued and he can't do that in the circumstances.

10

You haven't any authority over the stores manager and can't make him issue the materials you need. Since your authority doesn't extend that far you would have to turn to somebody at a higher level for support.

In a situation like this it can be very difficult to fulfil what you feel to be the responsiblity of the job if you haven't got the authority that you need.

IN ORDER TO MEET RESPONSIBILITIES A SUPERVISOR NEEDS AUTHORITY

ACTIVITY 9
Time guide
2 mins

Jot down ONE reason why it may not be easy for you immediately to direct somebody to supply the help you need.

* _____

There may be various reasons but the two I would pick on are:

* lines of demarcation

  (only certain people can do certain jobs)

* departmental boundaries

  (You may need to go to the other person's manager first and request help rather than ordering it directly)

Let's have a look at these two ideas in more detail.

3.1 Lines of demarcation

Think back for a moment to the situation in which the supervisor asks for materials from stores to meet a rush order after the office staff who deal with stores requisitions have gone home.

Suppose the supervisor completes the requisition personally, ignoring the normal channel of going through the office, in order to get the supplies.

The office staff could then complain that the supervisor was doing 'office work' and that this action was outside the limits of the supervisor's authority. If this was allowed office workers may find their jobs disappearing. Office staff may threaten industrial action in order to protect their jobs.

In many organisations only certain people may do certain jobs and any breach of this is seen as a threat to job security.

3.2 Departmental boundaries

In this situation too we can see that there is no direct link between the supervisor's department and the stores, which appear to operate independently of each other. The supervisor's authority is limited to his workteam within the boundary of the production area. Once outside this area the supervisor can no longer direct or give orders.

The action you would take to get round this problem will depend on the kind of organisation structure you are working in and on your relationship with colleagues in other departments.

For example:

If you get on well with the stores manager and if he views you as an honest, trustworthy person then he may well ignore the "red tape" attached to the system of issuing stock.

On the other hand if you frequently upset him and are always trying to cut corners he will take a very stubborn approach.

So we can now review responsibility.

* Everyone in an organisation has some responsibility
* A supervisor is responsible for certain activities and for his workteam
* A supervisor is responsible to the manager
* We need authority to carry out our responsibilities
* Responsibility is an obligation to get things done either personally or by instructing someone else over whom we have authority and also our sense of commitment to the job.

One final word of warning about the problem of making sure authority matches responsibility.

We've agreed I hope that everybody at work has a responsibility to carry out the orders and instructions given to them by their boss.

So you expect to carry out your manager's instructions and you expect your workteam to carry out your instructions.

However, you need to ask yourself occasionally if you actually have the authority for what you're asking them to do.

You may have to ask yourself

* Do I have the authority to give this order?

* Is it within the limits of my authority?

An employee under your control has a duty to carry out your orders so long as you have the authority to give them. This authority will only extend to those things which you are responsible for. Any orders outside these activities need not be obeyed.

ACTIVITY 10
Time guide
5 mins

Look at each of the following and decide which are examples of instructions which the supervisor could give to a member of his workteam who would have to carry them out.

1 Take this requisition to the stores.

2 Nip out to the shop and get me twenty cigarettes.

3 Go and give Susan a hand to pack those goods.

4 You'll all stay behind until this job is finished.

5 Make sure that all heavy items are stored on the lower shelves.

1, 3 and 5 are clearly related to normal work routines which employees would be expected to carry out.

2 and 4 on the other hand would not have to be obeyed.

* Sending somebody away from the place of work to buy cigarettes is using up time paid for by the employer to do something which is not in the interests of the firm. It's possible that you might ask somebody to do it but he doesn't have to go.

* Similarly, ordering employees to work after normal hours would be an extension of their working day. This would constitute overtime and it would be unlikely that a supervisor would have the authority to decide when overtime is worked. Even if you could decide this it would be unlikely that you could insist on it.

  This would therefore be outside the limits of your authority and employees need not obey this order.

So employees have a responsibility to obey those in authority. But only in relation to work activities and even these must be within the limits of authority of the person giving the orders.

4 Summary

* Authority- the right to make decisions and direct the work of others

* Responsibility- those things which you are accountable for.

  An obligation to get things done either personally or by instructing others in your workteam and your commitment to doing so.

It is difficult totally to accept responsibility if you do not have the authority to make decisions about those activities.

Your authority to direct and instruct people under your control is limited to activities related to work.

SELF CHECK 1
Time guide
5 mins

Complete the following sentence with a suitable word.

1 A supervisor has _____ over those in his work team.

2 Authority is sometimes given to a supervisor for specific tasks

List three specific tasks for which authority can be given

* _____

* _____

* _____

3 Which of these statements do you think is the best definition of authority?

a the power to control what others do at work
b an activity involving decision making
c controlling some aspects of your work
d the right to make decisions and direct the work of others

4 Decide whether each of the following statements is true or false.

a A supervisor is responsible to the other members of his workteam.

TRUE/FALSE

b A supervisor is responsible to the manager.

TRUE/FALSE

c Responsibility is given only to senior managers.

TRUE/FALSE

5 Write down two things we have suggested might cause conflict between authority and responsibilities.

a _____

b _____

6 Decide whether the following statements are true or false

a Authority gives individuals the right to instruct others.

TRUE/FALSE

b Employees must obey all orders given by a supervisor.

TRUE/FALSE

c A supervisor is duty bound to carry out all his responsibilities to the firm.

TRUE/FALSE

The answers to this self check are here in the following words, so you'll need to check out your answers carefully. 1) Control. We could also have used authority. The response should emphasise that the supervisor can direct those in his workteam. The supervisor controls what they do, has authority over them. 2) There are probably a number of things which apply here. I would suggest the following * Security * Personnel * Health and Safety * Stock Control * Quality Control * Marketing * Production * Maintenance * Finance * Training. You may have chosen other things when creating your list. It is possible to extend this in so many ways. 3) d is correct in this case. "The right to make decisions and direct the work of others". This right is given to you by your superior (your boss) so that the work team can run efficiently. You should not assume that you have any power because of this authority as suggested in a) or that it involves an activity as suggested in b), c) suggests control but only of your own work which would not allow you to direct others. d) is correct. It involves making decisions and directing others. The authority handed down by senior managers. 4) a False - A supervisor is responsible for his workteam. He is responsible to the manager. b True - Each level of manager is responsible to the person above in the organisation. c False - All levels of managers, from first line supervisors to Chief Executive have some form of responsibility. The managing Director has ultimate responsibility for all activities in the organisation. 5) a Departmental boundaries, b lines of Demarcation In situations involving both of those responsibility often overlaps while authority is restricted to a traditional line of control. Ideally this shouldn't happen but in practice it sometimes does. You may also have chosen communications as an answer here. Quite often an individual is unsure of his authority and responsibility because they have not been communicated clearly to him. 6 a True - persons in authority can instruct others. b False - a supervisor's authority is limited to certain activities. Employees are obligated to obey orders within the limits of a supervisor's authority but not orders outside c True - a supervisor, or any other individual who accepts responsibility is obligated to carry out his responsibilities. - It is his duty to ensure that those activities for which he is responsible are achieved.

PART B DEVELOPING AN ORGANISATION SYSTEM

1 Introduction

In part A we looked at authority and responsibility and the way in which they relate to each other. Now let's use this relationship as a framework to build an organisation structure for a firm.

In some cases organisation structures naturally develop while others are planned.

For example in a small business a structure may seem unnecessary. As the business grows it will become necessary to organise the various parts in relation to each other and the owner and in a large business it is necessary to plan all the functions and activities in relation to each other.

We will look at traditional design of organisations and compare how they operate. In doing this we shall see that authority and responsibility are important features in all systems.

2 Natural Development

Let's consider a one man business. You may feel that there is no need to design an organisation structure in such a business. However, it will allow us to see how authority and responsibility are involved and will be a starting point for further development of an organisation structure for the business.

ACTIVITY 11
Time guide
5 mins

John Hill owns a small corner shop. Up till now he has run the business completely on his own having never felt the need to employ any staff.

Jot down some of the activities for which John would be responsible as the owner of a shop

eg * selling

* _____

* _____

* _____

* _____

* _____

Does John have total authority for activities in the business?

YES/NO

John is in control of all activities of the business. Running a shop, this list is likely to include:

* Buying
* Selling
* Advertising
* Display
* Administration
* Accounting

And he has total authority for all activities since he is the only person involved. Now let's suppose John's business has been improving well, of late, and he finds it difficult to do all the jobs himself. He decides that he should employ someone to help him.

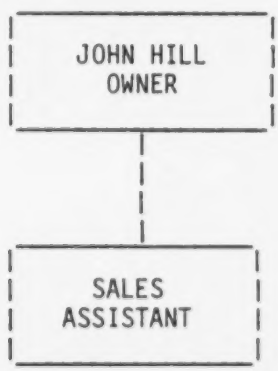
Selling is the main activity of the business and takes up most of his time.

His problem is that the time he spends in the shop prevents him from doing other things. At present he can only go to the wholesaler either after normal shopping hours or by closing the shop.

He finds that he cannot always get his bookwork finished because of constant interruption from customers.

Accounts and advertising are not major activities and take up comparatively little time.

Once John has employed a sales assistant, we could show the business in the form of a diagram like this:



This is a straight line relationship between John and the sales assistant. The sales assistant is responsible to John and receives orders and instructions from him.

ACTIVITY 12
Time guide
3 mins

Jot down three responsibilities which you think the new sales assistant will have.

* _____
* _____
* _____

Do you think the sales assistant will have any authority? YES/NO

_____

The new assistant was appointed to help out with the selling activity, so your list may well have included:

* serving customers

* filling shelves

* general cleaning duties

The sales assistant is only likely to have limited authority but he must be given some.

If John decides:

* what duties the sales assistant should have

* how much authority, if any, the sales assistant would need

* what responsibilities the sales assistant will have

and makes this much clear to the sales assistant he should then find that he has some time available to get on with the other activities of the business.

He can now go to the warehouse to buy goods without having to close the shop. The sales assistant can look after things while he is away. At busy periods there will be two people to serve customers which might improve sales.

Employing the sales assistant will, however, have increased John's responsibilities.

ACTIVITY 13
Time guide
2 mins

Make a note of any new responsibilities which John now has as a result of employing a sales assistant.

* _____

* _____

* _____

Having appointed the sales assistant John will now find that he is responsible for personnel management - that is for activities relating to staff.

This will involve

* Training

* Health and Safety

* Wages

* Records

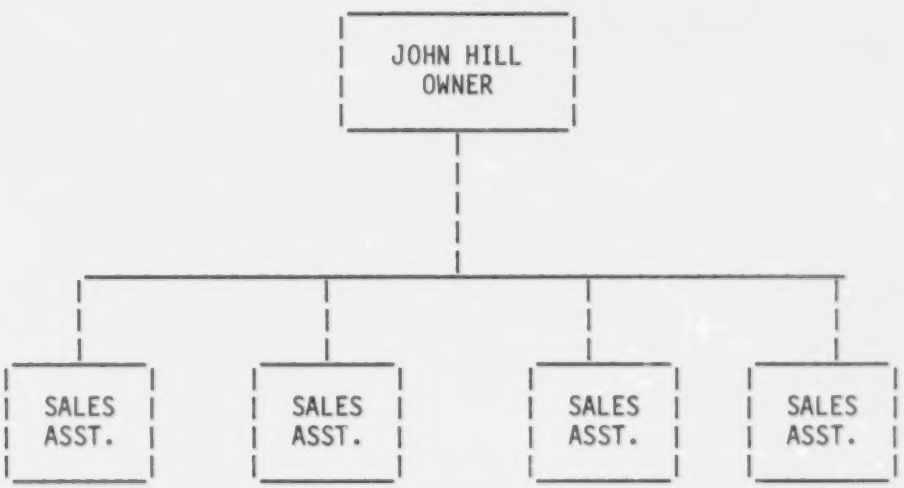
And, of course, while the assistant is at work

* Supervision

With only one employee these activities will take up a limited amount of time, but nevertheless, they are in addition to the already full list of things John has to do. He has to recognise that even though he is now able to spend less time on selling, some of the time he has saved will have to be spent on the new responsibilities he has taken on.

As the business becomes more successful John will find that he may need to employ more sales staff and that his supervision and training activities will increase. At this point he could decide to appoint a member of staff as supervisor.

Let's assume that the business now has four sales assistants and that, before appointing a supervisor, the organisation looks like this

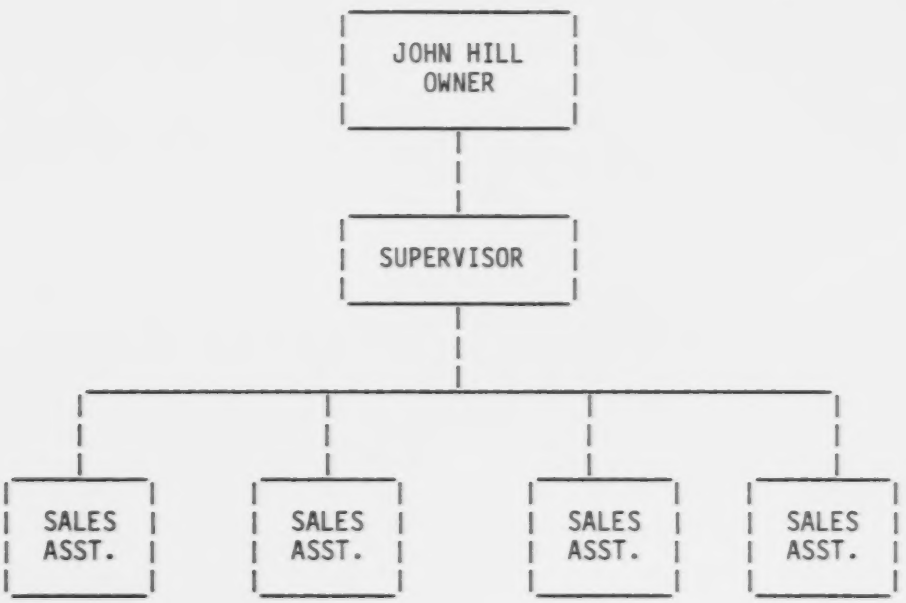


ACTIVITY 14
Time guide
3 mins

Assuming John appoints one of his sales assistants as supervisor, redraw the above diagram to show the line of control that you would create.

Redraw the organisation here

The appointment of the supervisor would mean that the organisation would now look like this, or something similar to this.



The supervisor would become a link between the sales staff and the owner.

The supervisor is responsible to the owner of the business.

The supervisor is responsible for the sales staff.

ACTIVITY 15
Time guide
5 mins

Spend a few minutes thinking about what you would make the new supervisor responsible for and what you think his or her authority should be, then make a list of both.

Responsibilities:

* _____
* _____
* _____

Authority for:

* _____
* _____
* _____

The supervisor will probably be responsible for:

* Training sales staff
* Supervision of sales staff for the duties they have been given
* Dealing with customer queries and complaints
* Making sure stock levels are maintained in the shop.

And the supervisor will need the authority to direct the sales staff for whom he is responsible and to make decisions which arise from the responsibilities of the job.

John would, of course, have to decide in advance of the appointment, what he was expecting from the supervisor and would also have to make this known to the sales staff so that they knew that the supervisor had the authority to direct their work.

The organisation of the firm should now be taking a shape which you are familiar with ie

* lines of control are established

* positions of responsibility and authority are beginning to develop

Now let's take this one stage further.

Earlier we identified the following activities as being important to John's business.

* Buying
* Selling
* Advertising
* Display
* Administration
* Accountancy

After appointing sales staff we then added

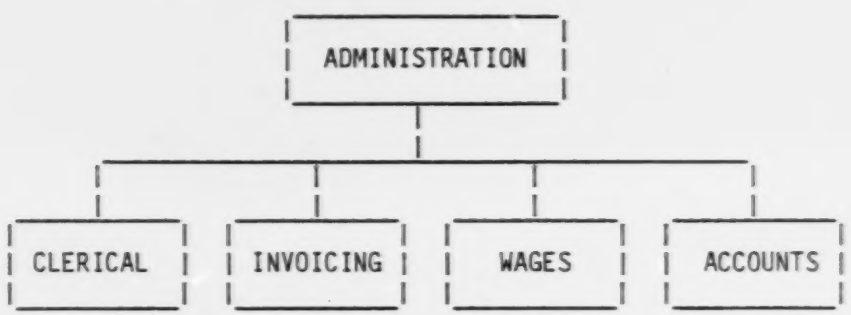
* Personnel

Without jumping too far ahead let's now assume that John has a very busy and successful shop.

He spends very little time in the shop himself, relying on the supervisor and sales staff to serve the customers while he concentrates on the administration, buying, accounts, etc. The busier the shop becomes the more time he seems to spend away from it, finding more stock and dealing with the paperwork.

If only he could get rid of the paperwork he could concentrate on developing other aspects of the business. Maybe even open another shop.

He can take on somebody who will specialise in certain areas of work - accounts and administration for example. In so doing, John will be setting up a separate specialist department. In such a small business it's only likely to comprise one or two people but in a larger organisation it might well look something like this:

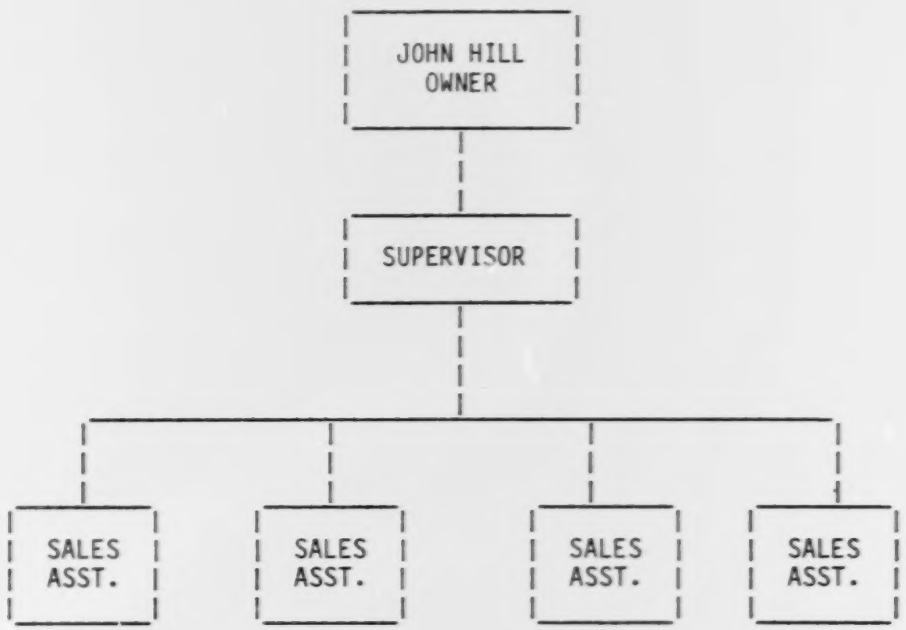


He would then have to decide how to introduce the new department into the structure of organisation which has developed. In doing so he will have to be careful of responsibilities and authority and set out very clearly:

* who will have authority and for what

* who will be responsible to whom.

Let's look back to the structure which has developed so far.



John would like to add another function to this to deal with administration and accounts. He decides to combine these activities and take on <u>one</u> extra person to be responsible for them.

ACTIVITY 16
Time guide
5 mins

Redraw the diagram to include the new administration function. You should think about how it will fit in with the rest of the organisation

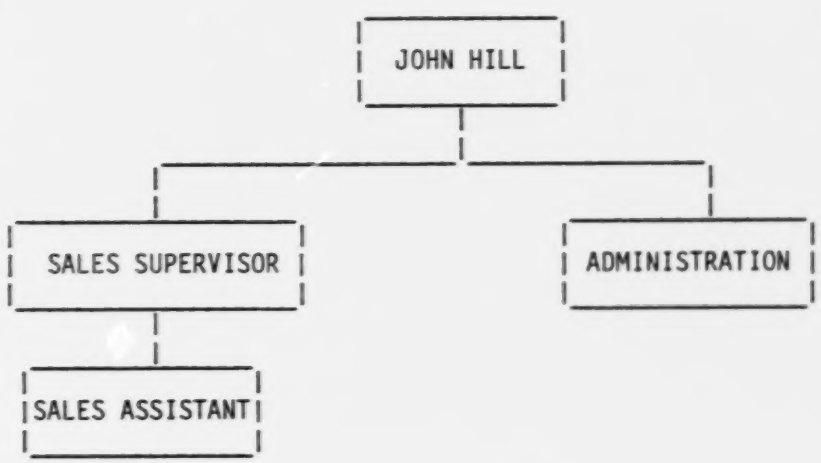
* Who will administration be responsible to?

* Will they have any control over others already in the organisation?

Redraw the organisation here.

Let's look at the possibilities.

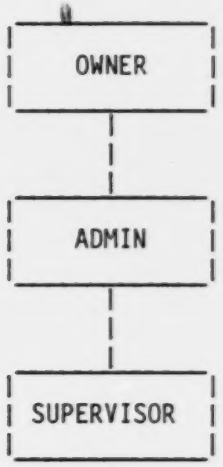
1 You could have put administration on the same level as the supervisor, like this:



Something like this would be the best solution because:

* The functions are kept separate
* There is a clear line of control from owner to each function
* There will be no overlap of responsibility and authority
* Each can operate as an independent unit.

2 You could put the administration directly above the supervisor and below the owner - like this:



The problem is that we have broken the line of control between the supervisor and the owner. One could assume from this diagram that the supervisor is now responsible to administration and therefore that administration has authority to direct the supervisor.

This, of course, could well be true in practice but it shouldn't be allowed to happen unintentionally.

3 You could have put administration below the supervisor, like this:

This of course reverses the relationship created in (2). The supervisor now appears to have authority over the administration.

The owner has no direct link with administration.

Whatever system the owner develops, he may find that he needs to add new functions as the business develops and the needs of the business change. Sometimes this practice may become rather haphazard and may produce inefficiencies in the day-to-day running of the business. As the business grows these inefficiencies tend to become more and more apparent and the owner may at some stage have to take a careful look at the system which has developed and re-plan the organisation.

You might find it useful to answer the following self checks before we go on.

SELF CHECK 2
Time guide
5 mins

Decide whether the following statements are true or false.

(1)

a) Appointing a supervisor would take away some of the owner's responsibilities in a small business.

TRUE/FALSE

b) A supervisor needs to be given authority to do his job properly.

TRUE/FALSE

c) All staff need to be made aware of the limits and extent of another person's authority.

TRUE/FALSE

d) The owner's range of responsibilities will decrease by employing staff.

TRUE/FALSE

e) The supervisor will have some authority in the business.

TRUE/FALSE

f) The organisation structure indicates the line of control in the business.

TRUE/FALSE

(2)

List three areas of responsibility which result directly from the appointment of staff.

* _____

* _____

* _____

The answer to this self check is here in the following words, so you'll need to check out your answers carefully: (1) a) This statement is false. The owner will be ultimately responsible for all things in the business, whether or not he has appointed someone else to a position of authority. b) This statement is true. In order to carry out the responsibilities in the job the supervisor will need the authority to make decisions regarding his work. c) This statement is true. Staff need to be made aware that a supervisor has the right to direct this at work. Otherwise they may take very little notice of him which will cause problems. It must be stated that they have to obey instructions given by the supervisor. They must also know to what extent the supervisor has authority, for example, what things he can do and what things he can't do. d) The owner's responsibility will increase due to the need for, supervision, training, discipline, safety, wages, records, so this statement is false. e) This statement is true. The supervisor will have the authority necessary to carry out the responsibilities given by the owner. f) The organisation structure indicates who is responsible to whom in the business, so this statement is true. (2) You may have any three of the following: * Safety; * Training; * Supervision; * Wages; * Records; * Administration; * Discipline.

3 Traditional Structures

So far we have followed John Hill's business through from one man doing everything himself to an organisation of some complexity and with the scope for further development.

Perhaps you're able to recognise an organisation system which is broadly similar to the one in which you work.

We can move on from there to look at other traditional types.

Organisation structures are just a way of showing who has authority over whom and who everybody is responsible to. In most organisation structures authority flows downwards from the top so that everybody receives their authority from their own boss and responsibility flows upward from the bottom so that everybody is responsible to their own immediate boss.

EXTENSION 1
page 74

With some variation, most organisations adopt this approach - that is that there is one man at the top, usually the Chief Executive or Managing Director, and various levels of managers, between him and the workers at the bottom. (If you're feeling slightly cynical about such an organisation structure, the expression "Too many chiefs and not enough Indians" might come to mind.)

ACTIVITY 17
Time guide
2 mins

Think about the firm you work for. Can you identify how many levels of management there are between you and the top?

* _____
* _____
* _____

This will vary from firm to firm but we should at least consider the range of possibilities here.

Let's start at the bottom and work up.

* Supervisor - usually known as first line managers or the first level of management above the workers
* Junior managers - foremen or section heads responsible for a whole section within the firm
* Middle managers - normally responsible for a department in the firm, e.g. Sales Manager; Purchasing Manager; Financial Accountant etc.
* Senior management - this may be one person i.e. the Managing Director, or may be a small number of directors

There could be at least four levels of management operating in most firms.

Let's look at how these levels are shown in the organisation structure.

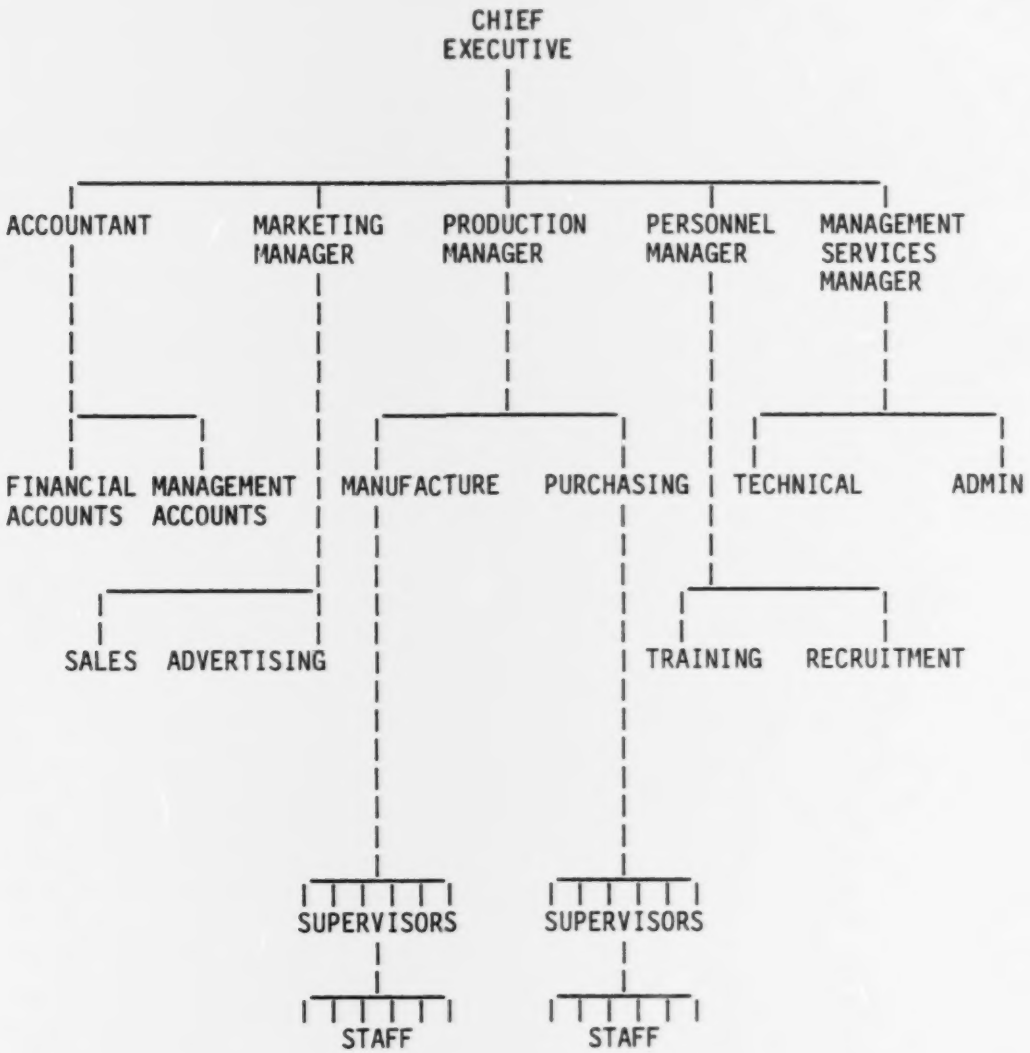
3.1 Line Organisation

REFERENCE 1 page 76

This is the simplest form of organisation structure and if you work in such a structure you should never be in any doubt about who is your boss, who you take orders from and who you are responsible to.

Here's an example of a firm which uses line organisation.

LINE ORGANISATION



You can see that the firm is divided into five main functions, each of them headed by a senior manager.

ACTIVITY 18
Time guide
1 min

What are the five main functions that this firm is divided into?

* _____
* _____
* _____
* _____
* _____

The main functions are:

* Accounts
* Marketing
* Production
* Personnel
* Management

Within each function you can see that the work has been divided into separate departments. If we take Marketing, for example, we can see that this is divided into Sales and Advertising. Heading one of those departments would be seen as a middle management job.

ACTIVITY 19
Time guide
1 min

In two of these departments we can also see what is sometimes called 'first line management'. Which departments are these?

* _____
* _____

We can see first line management in the Manufacturing and Purchasing departments within the Production function. First line management is simply another way of describing supervisors.

Of course, you would probably find first line management in all the other departments too though we haven't shown them on this diagram.

The important points in this structure are:

* There is a clear line of responsibility and authority from the Chief Executive through to the lowest level, the staff.

* Authority at each level is given from the level above. It therefore flows downwards through the organisation.

* At each level managers are responsible to the one above in the line.

  Responsibility therefore flows upward to the Chief Executive.

ACTIVITY 20
Time guide
5 mins

Look again at the diagram of line organisation and consider the following situation.

The Accountant is concerned about the amount of money being spent on materials by the purchasing department. He is alarmed that the purchasing department regularly order huge supplies which could be purchased in smaller quantities more often. This ties up money which could be used in other ways.

However, as he has no authority for purchasing, to contact the manager direct may be a useless approach and could lead to hostility in the firm.

What should the Accountant do to try to reduce the spending by the purchasing department?

* _____

* _____

* _____

---

* The Accountant must inform the Chief Executive of the overspending and justify spending less. If the Chief Executive agrees he, and only he, has the authority to inform the Production Manager that spending on materials must be controlled.

  The Production Manager in turn can inform the Head of Purchasing to alter his system.

Let's examine the set-up here.

* In line organisation the Accountant has authority over those directly below him, that is the Financial Accountant and the Management Accountant

* The Accountant is responsible to the Chief Executive. He has no authority over any other part of the firm

* However as his responsibility is likely to involve the control of money he is right to be concerned. His problem is how to achieve this. Any direct contact is outside his right of control

* In line organisation the Accountant would have to go to the top to get changes in other parts of the organisation.

You can see, therefore, that line organisation can cause some difficulties.

ACTIVITY 21
Time guide
5 mins

Write down three possible disadvantages which you think might arise from line organisation. Use your own exerience or the diagram we have just been talking about to help you.

* _____

* _____

* _____

The disadvantages you think of will, of course, reflect your own experience but generally the main disadvantages of line organisation can be summed up like this:

* Each department works as a separate unit. They may become so independent that they do not recognise the work of the other departments as being important to the firm

* The effectiveness of a department depends on how good the manager is. The manager is in control of the department and his attitudes will affect the progress of the department

* An inflexible manager can hinder the firm's progress into new methods or ideas.

ACTIVITY 22
Time guide
5 mins

However, line organisation has been found to work very effectively, despite the drawbacks, in small and medium-sized firms. Write down three reasons why you think this might be so.

* _____

* _____

* _____

The reasons why line organisation works well, particularly in small and medium-sized firms are:

* It is simple and direct

* Direct control simplifies the running of departments

* Authority and duties can be allocated effectively

* Positions of authority are readily understood

* Extent and limits of authority, responsibility and duties can be easily identified

* Staff discipline is easier because of the simple line of control

3.2 Line and Staff organisation

Line organisation means that you are answerable to one boss, you get all your orders and instructions from him and if you need any guidance or directions you go to him. But many of us work in organisations which aren't that simple.

ACTIVITY 23
Time guide
5 mins

Write down the titles (or functions if you can't think of actual job titles) of people at work who you might ask for specialist help with a certain problem or who can issue instructions which affect your job other than your immediate boss.

* _____
* _____
* _____
* _____
* _____

The particular job titles or functions you choose will depend on the organisation you work in, of course, but perhaps you mentioned some of these:

* Personnel
* Management Services (that might include Work Study, Organisation and Methods, Industrial Engineering)
* Data Processing
* Safety

If you have been able to think of several people like this who are there to give specialist advice and who may have some authority over you too then you probably work in what is known as a line and staff organisation.

This type of organisation is really a combination:

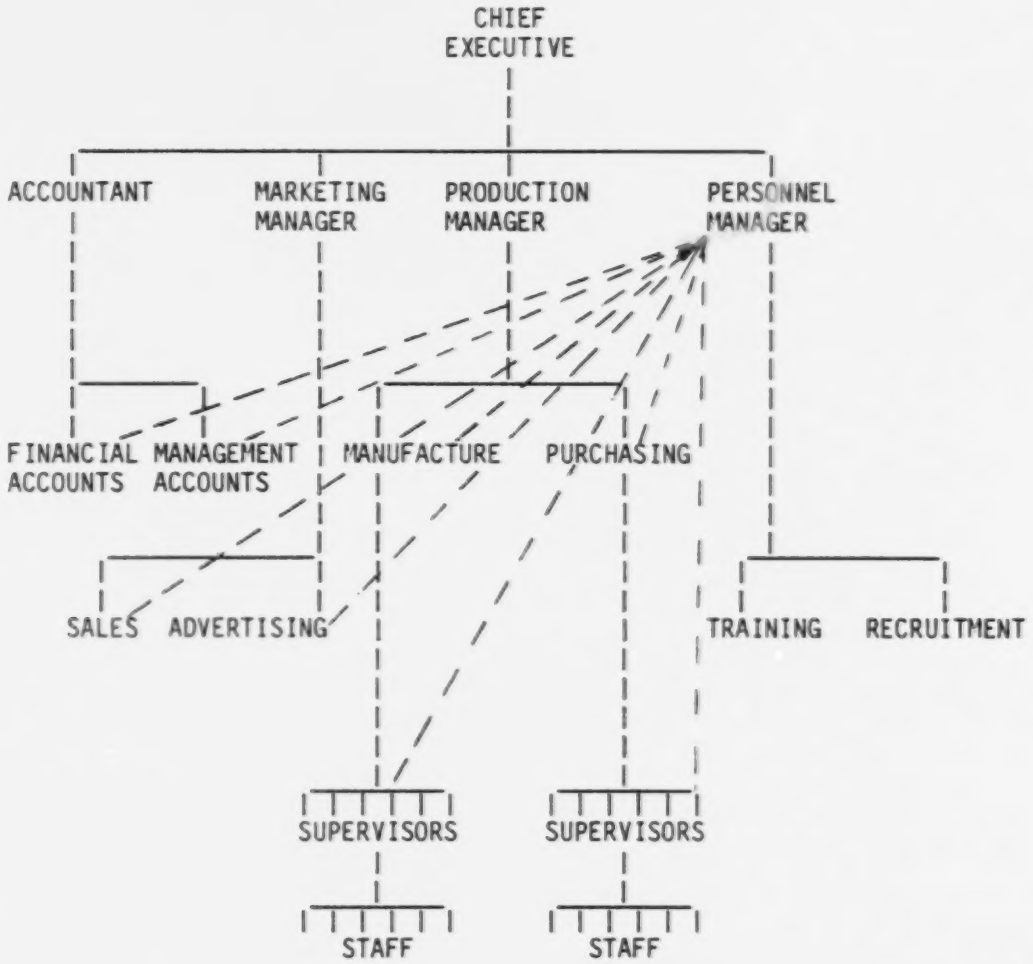
Line managers - retain direct control over their workteams

Staff specialists - provide specialist knowledge and expertise within their own functions

ACTIVITY 24
Time guide
3 mins

Let's look at how this might work in practice.

Here's a diagram of the firm we looked at before but now we're included a staff function - Personnel.



You will see that the link between personnel and line managers is shown by a series of broken lines.

This indicates that although the line manager is still in charge of his workteam he can seek advice and help from personnel when he requires it. This will usually be about training, recruitment, staff welfare.

* Write down a possible advantage of this organisation to the supervisor.

* _____

_____

_____

You have probably realised that, as far as the supervisor is concerned, this line and staff organisation is very similar to the line organisation we looked at earlier:

As in line organisation:

* responsibility and authority are clearly defined

* line managers and supervisors retain control

* responsibility and authority flow naturally through the organisation

In addition the supervisor has the benefit of:

* specialist advice and help from the Personnel Department which will help him reach better informed decisions

So far we've just emphasised the importance of staff functions in providing specialist help and advice, but staff managers may have considerable authority - sometimes enough to overrule decisions made by line managers. For example, all organisations must have a clearly defined, legal disciplinary procedure. If a line manager did not follow that agreed procedure, the personnel manager would have the authority to overrule the decision the line manager had reached.

ACTIVITY 25
Time guide
3 mins

The guard on a machine has buckled and is catching material going through the machine. Another guard is coming by post but you have an urgent order to complete so the Production Manager decides to put a very experienced operator on the machine and let him work with the guard disconnected. You would be able to fulfil the order but it's an unsafe practice.

Who might have the authority to stop production?

* _____

The Safety Officer probably has the authority to overrule the production manager's decision and stop production. However, you can imagine that there could well be considerable conflict of interests in such a situation.

In order to avoid that line managers and staff managers are expected to work closely and to cooperate on a day-to-day basis so that crises like this one occur very rarely.

Ideally line and staff organisation gives the best of both worlds. You have:

* clear lines of responsibility and authority

* specialist help and advice available

and it is not surprising that this is the most commonly used organisation system. But its success depends on making full use of the staff functions and cooperating with them.

ACTIVITY 26
Time guide
3 mins

Suppose you are a production supervisor. You are having trouble with one of the machines. Your immediate boss, the Production Manager, tells you to keep it running. The Safety Officer tells you to shut it down because it's unsafe in its present state.

You are not sure what to do and go back to the Production Manager for further instructions. He telephones the Safety Officer and a heated argument follows.

Following instructions, you keep the machine running and watch it carefully. The Safety Officer arrives on the shopfloor with the Plant Manager who, after some discussion, says you should try to keep the machine running.

The Plant Manager goes into the Production Manager's office and closes the door.

* How are <u>you</u> as supervisor likely to feel?

  * _____

    _____

* How is the Safety Officer likely to feel?

  * _____

    _____

* What is the Plant Manager likely to think about the situation?

  * _____

    _____

---

* As supervisor you are likely to feel confused and frustrated if you receive contradictory instructions from two different people. Over a period this can be very damaging to performance.

* The Safety Officer is likely to feel totally frustrated and dissatisfied that his specialist advice has been rejected. He will feel that his authority has been undermined and there is the risk that good relations with the production department wil not be good in future.

* I should think the Plant Manager would feel irritated that Production and Safety hadn't been able to work cooperatively and sort the problem out between them.

  When he comes to consider costs he is also likely to think that a lot of money is being spent on providing specialist support and expertise which line management don't use.

The likely reactions which we've looked at here are the most commonly identified drawbacks to line and staff organisation but they can be largely overcome if

* everybody has a clear idea of their own role and other people's role in the organisation.

* cooperation between functions takes place as a matter of course.

4 Other Structures of Organisation

Line organisation and line and staff organisation are the traditional systems but there are others which you might like to look at briefly.

4.1 Functional organisation

REFERENCE 2 page 76

Functional organisation introduces the idea of specialists controlling the major functions of the business.

The specialist or functional manager is an expert in his field and as such will have authority over the line manager.

EXTENSION 2 page 74

The introduction of specialists was the idea of F W Taylor, an American engineer, who from his studies identified that there was no scientific method or planning to the organisation of work at that time and who tried to put forward a more scientific way of organising work.

His studies led him to the conclusion that supervisors had too many things to do and that they did not always have the time or the expertise to do them all well.

He recommended that specialists or functional managers should be appointed to deal with these jobs which required expert knowledge and expertise.

The functional managers would have authority over line managers and therefore control their own functions through the organisation.

In this form of organisation structure the supervisor would be responsible to a number of people, all of whom would have direct authority over the supervisor.

ACTIVITY 27
Time guide
2 mins

So, for example, a supervisor would be responsible to:

* the manager immediately above in the line of control
* the personnel manager for all matters relating to staff
* the purchasing manager for requisitioning of materials
* the distribution manager for the supply of finished goods
* the accountant for shift reports on wastage, downtime etc

What do you think the disadvantages of such a system would be?

* _____
* _____

The major disadvantage is the confusion that is likely to arise. In practice, the supervisor is going to receive orders and demands on his time from all directions and have some difficulty working out their order of importance.

Although functional organisation is theoretically feasible, in practice it is rarely used.

What is far more likely to happen is that organisations find they need a variety of structures to meet all the demands made on it. As well as the line and staff organisation needed to get work done on a day-to-day basis, you need to get people together in groups to solve specific problems, tackle particular areas of work, think up new ideas, cope with changes in technology etc.

It's quite likely that you find yourself involved in such organisation systems and that you have a job to do there in addition to your normal supervisory job.

Let's look at two examples of what I mean.

4.2 Committee Organisation

As businesses become more complex it becomes more and more difficult for one man to make a well-informed, important decision on his own. If a new computer system is being introduced then all the user departments as well as the computer experts need to work together.

Or, in something like wage negotiation, the needs and interests of at least two different parties have got to be taken into account so, realistically, they have to work together to reach a decision.

So some kind of committee is set up - a group of people who, because of their expert knowledge or the interests they represent, are chosen to look after certain activities.

How much power they have and how long they last for will vary from one organisation to another.

EXTENSION 3
page 74

You might like to take up this extension if you'd like to know more about committee organisation.

However, all committees have certain advantages and disadvantages in common.

ACTIVITY 28
Time guide
4 mins

Suppose you, as office supervisor, are on your firm's safety committee. One of your clerks has been complaining about the charge of static electricity which builds up in the paper-feed to the photocopier. Several people have complained about pains and prickling sensations when they touch their new metal-framed desks and chairs in the newly fitted office.

At the safety committee meeting, the typing pool supervisor tells a similar story to yours about shocks from static electricity. She wonders if the new nylon carpet is to blame. The Safety Officer has recently read a horrifying account of a fire in an office block caused by a spark from a static build up in a paper shredder igniting piles of paper stacked nearby.

You make a note to look carefully at the way paper is stored when you get back to the office.

The representative from the production area holds forth for a quarter of an hour on the subject of safety shoes which is of no direct interest to you. You can't help thinking about all the other things you should be doing and you notice one or two other people looking at their watches.

Jot down what seem to you, from reading this case, to be <u>one</u> advantage and <u>one</u> disadvantage of committees.

_____

_____

_____

_____

The advantages of committee organisations are that:

* problems, knowledge, experience are pooled, so that ideas receive more than one person's backing. Better informed decisions should be made as a result.

* specialist advice is available. (The Safety Officer may have alerted you to a danger you weren't previously aware of.)

* you should become more aware of the problems of people in other parts of the organisation and therefore more likely to work better together.

However, one of the major disadvantages of committee organisation is

* it is very time-consuming. Not all the discussion is relevant to you and you might feel your time could be better used elsewhere.

* decision-making tends to be slow

* since decisions are collective, it's easy for committee members to feel no particularly strong, personal commitment to them.

If a committee of eight people take two hours to reach a decision, it needs to be a very worthwhile decision to justify spending what adds up to two working days on it!

4.3 Matrix organisation

This involves the formation of a 'task force' of specialist teams who operate wherever their expertise is required, using the knowledge and resources (computer technology, for example) to which they have access.

Members of the teams are usually part of a line-management system in their own job and are also responsible to the team leader for the particular area of work they are specialist in.

Some kind of matrix organisation becomes more and more common as firms find they have to give a fast response to complex, specialised problems which can best be solved by getting together their experts in a particular field and allowing them to work together, often in relationships to each other which are quite different from the usual line organisation.

Matrix organisation is quite common in medical and surgical teams, new product groups and research and development teams - in other words in situations where you need fast, specialist, creative thinking.

Once again, the particular form of matrix organisation used will depend on the firm, the problem and the people involved.

EXTENSION 4
page 74

If you would like to know more about the possibilities of matrix organisation, you might like to take up this extension.

Perhaps we can agree by now that there isn't necessarily one right way of organising a business - there is only the organisation system that suits your firm, or even your part of the firm, best.

ACTIVITY 29
Time guide
5 mins

If you were designing an organisation system for your firm, what are the factors that you would take into account?

Jot down three.

(We have already mentioned some in the section on Matrix Organisation so you could check back there to get started).

eg. the people available.

* _____
* _____
* _____

You might have suggested:

* the people available (their experience, expertise and personalities)
* what you're trying to achieve
* how long you've got to do the job
* the resources you've got available
* the outside pressures which are affecting you (your customers or competitors, for example)
* the attitude of management

This list isn't complete. You may well have thought of other equally important factors which would affect your thinking about the best way of organising your particular business.

EXTENSION 5
page 75

If this is a field which interests you you might like to follow up this extension.

SELF CHECK 3
Time guide
5 mins

(1) In the text I described line and staff organisation as giving "The best of both worlds". Explain briefly what is meant by this term.

_____

_____

_____

_____

(2) List two traditional systems of organisation.

* _____

* _____

(3) Which of the two systems you identified in question (2) is the more commonly used?

* _____

(4) Briefly explain why a staff manager may have authority for specific activities.

* _____

* _____

* _____

* _____

* _____

The answer to this self check is here is the following words, so you'll need to check out your answers carefully: (1) This term relates to: a) Line managers retain control as in line organisation; b) Specialist help is available from the staff managers as in functional organisation. Line and staff organisation combines the advantages of both line organisation and functional organisation without the conflict of control which exists in the functional system. (2) The two traditional systems are: * Line organisation; * Line and staff organisation. (3) The most commonly used system is: line and staff organisation. This is favoured by most firms as it allows the use of specialist control. (4) Functional authority for specific activities may exist where: * legal issues are important; * policy procedures must be followed. In such situations the specialist expertise of the staff manager will be more important than maintaining a direct line of control. To avoid conflict line managers should be informed in advance of those activities where the staff manager has functional authority.

5 Summary

All businesses need an organisation system which provides for all functions to be carried out and which allows for development.

Traditional organisation systems are:

LINE ORGANISATION - everybody is responsible to one immediate boss from whom they receive all their instructions. This ensures good control but decision making may be slow.

LINE AND STAFF ORGANISATION - as well as line managers, the system includes 'staff' functions which have specialist knowledge and expertise. The staff role is to provide expert advice and guidance. If necessary, staff managers may overrule line managers' decisions in matters which relate to their specialist areas.

Other organisations are possible. These include:

FUNCTIONAL ORGANISATION - specialists control the major functions and the supervisor would be responsible to all of them as well as to his line manager.

COMMITTEE ORGANISATION - major functions are dealt with by a committee.

MATRIX ORGANISATION - specialist teams operate wherever they are required as well as having a job of their own which usually fits in with a line organisation system.

PART C RELATIONSHIPS IN ORGANISATIONS

1 Introduction

In this part of the unit we'll be looking at relationships at work - that is the attitude we take, the way we respond to people, the way we talk, the things we talk about.

Just a couple of minutes thought would show each of us that we relate to different people at work in very different ways. Most of the time we do this quite instinctively but it's useful sometimes to stand back from the situation a bit and consider whether there is some kind of pattern in our behaviour and whether our relationships with other people match with the organisation system in which we work.

In Part B we looked at some organisation structures and established the flow of authority and responsibility within each system. This, to some extent, determines the relationship between different people in the organisation.

So how can we begin to see some kind of pattern in relationships at work?

We can start by dividing them into two categories - formal and informal.

* Formal: This type comes about as a result of the organisation structure

and

* Informal: This type can exist no matter what type of organisation system is operating

Let's look at each of these more closely.

2 Formal relationship

A formal relationship is the direct result of the style of the organisation system. It is the behaviour which is expected of you, because of the job you hold, towards other people and the jobs they hold. We could say that it shows the arrangement of people in different positions in the organisation.

It is also closely associated to the lines of control and levels of authority in the organisation.

To make this clearer we can divide formal relationships into two different kinds.

REFERENCES
2 and 3
page 76

DIRECT RELATIONSHIP

and

INDIRECT RELATIONSHIP

2.1 Direct Relationship

This is the relationship that exists between you and your manager or between the supervisor and his workteam.

It follows the direct line of authority in the organisation.

For example the supervisor's relationship to his workteam is that the supervisor is the boss and the workers recognise his authority and obey his instructions.

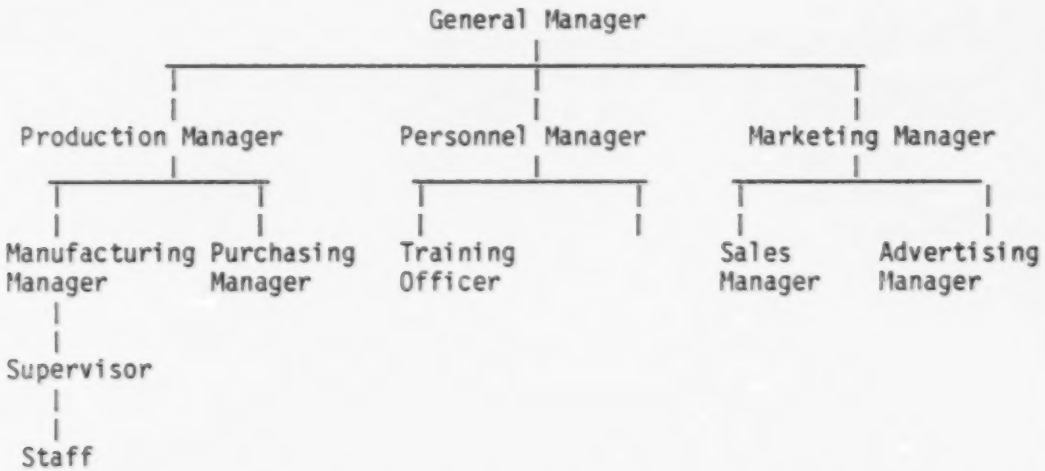
Likewise the supervisor will be accountable to a departmental or section head and will be obliged to obey orders and instructions from the section head.

Anyone outside this line of control is not part of this direct relationship i.e. there is no direct link between these two people.

For example the supervisor and the training officer would not have a direct relationship as they operate within different functions of the organisation and have no need to become involved in the other's work.

ACTIVITY 30
Time guide
3 mins

Here is a diagram of a line organisation.



Say whether the people on this list have a direct relationship with each other.

1) STAFF TO SUPERVISOR YES/NO

2) SUPERVISOR TO TRAINING OFFICER YES/NO

3) MANUFACTURING TO PURCHASING YES/NO

4) SALES MANAGER TO MARKETING MANAGER YES/NO

5) ADVERTISING TO SALES YES/NO

Let's go through each of these.

1) The answer is yes. There is a direct relationship between the supervisor and staff

2) The answer here is no. The supervisor only has direct relationship with those in the same line of control. In this case that is the production line.

   The training officer has a direct relationship with the personnel officer.

3) The answer here is no. Although the manufacturing and purchasing are both part of the production function they are not directly related.

   Each is directly related to the production manager but they both operate independently of one another.

4) The answer here is yes. The sales manager is directly related to the marketing manager.

5) The answer here is no. Advertising and sales are both related to the marketing function. However they can each operate as independent units. There is no direct relationship between these two departments.

A direct relationship flows down through the organisation. If you think back to Part B you may remember that this is also true of authority in LINE ORGANISATION. You will also see that responsibility flows upward in line organisation.

Direct relationship is found in line organisation. There is a direct line of control which runs through the organisation, so that:

The workteam are responsible to the supervisor
The supervisor is responsible to the section head.

The section head has authority over the supervisor
The supervisor has authority over the workteam.

Each function in a line organisation operates as an independent unit and relationships are fairly straight forward, almost on a one-to-one basis.

We can see that

FORMAL DIRECT RELATIONSHIPS

are created by the flow of authority and responsibility in the organisation system.

In line organisation this is a vertical flow upwards and downwards.

ACTIVITY 31
Time guide
3 mins

Jot down who you have a direct formal relationship with.

* _____

* _____

You should have included on your list your immediate boss and all the people whom you directly supervise.

Now let's take a look at INDIRECT RELATIONSHIPS.

2.2 Indirect Relationships

You remember that in Part B of this unit we looked at the role of staff positions such as personnel officer and safety officer and agreed that, for the organisation to be effective, there must be cooperation between them and the line managers.

They have no direct authority over each other's work but they are expected, as part of the job, to cooperate and work together for the good of the organisation.

That is an indirect relationship.

ACTIVITY 32
Time guide
1 min

Would you say an indirect relationship (eg between a production manager and a personnel manager) is a formal or informal relationship?

FORMAL/INFORMAL

It's still a formal relationship because the relationship comes about as a result of the way the organisation is designed.

They may get on well or badly and may or may not be on friendly terms. That doesn't alter the fact that cooperation between them is an expected part of the job and is therefore a formal relationship.

You should be able to identify two relationships in this diagram.

* Line managers have a DIRECT RELATIONSHIP with the people they manage with their superiors (those directly above them in the system).

* Line managers have an INDIRECT RELATIONSHIP with the staff or functional managers who act as advisors in the system.

Although the staff or functional managers may have no direct authority over line managers, it is expected that they work closely together to improve efficiency in the firm.

ACTIVITY 33
Time guide
4 mins

Here is a diagram of an organisation structure with the lines of authority removed.

Assume that the firm use line and staff organisation and that personnel acts in an advisory capacity.

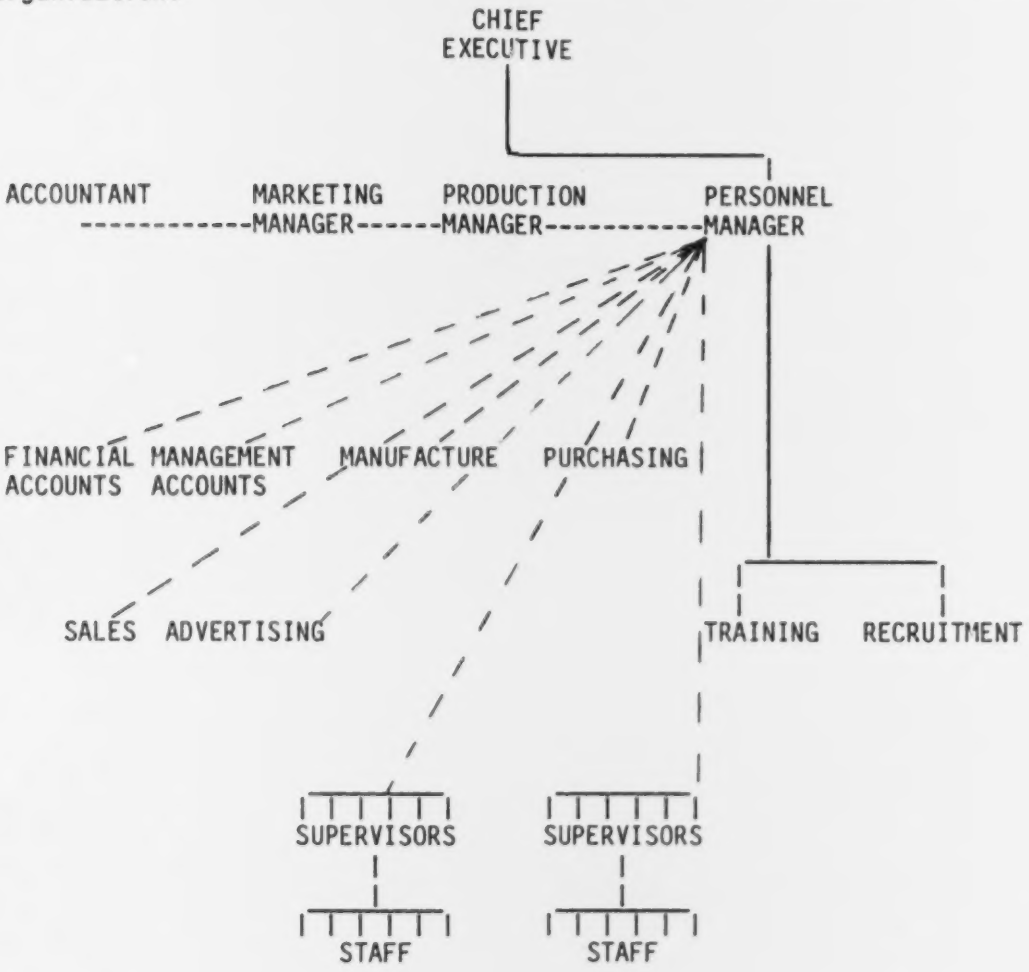
Draw a line to identify:

a) The direct relationship of the personnel manager to others in the system

and

b) The indirect relationship of the personnel manager to others in the system. (Use a broken line to indicate indirect relationship)

I've reproduced the diagram showing the direct and indirect relationships of the personnel manager to the others in the organisation.



The DIRECT RELATIONSHIPS are:

* To the Chief Executive
* To training
* To Recruitment

The INDIRECT RELATIONSHIPS are:

* To the Accountant
* To Financial Accounts
* To Management Accounts
* To Sales
* To Advertising
* To Manufacturing
* To Purcashing
* To Manufacturing Supervisors
* To Purchasing Supervisors

These relationships represent the direct flow of authority and responsibility in the organisation and the advisory role of the department to others in the organisation.

Formal indirect relationships come about through the design of the organisation system.

Where one department acts as advisor to another an indirect relationship is created.

But charts and diagrams of organisation structures can only show us formal relationships. Anybody at work knows that it is the informal relationships - having a quiet word with somebody, doing somebody a favour and building up some credit, simply being on good terms with other individuals - which keep the wheels turning.

Since informal relationships are much more individual and unpredictable, can we see any kind of pattern in them at all?

Well, we can try.

3 Informal Relationships

We can divide informal relationships into three different types.

REFERENCE 3 page 76

* Horizontal
* 'Ad Hoc'
* Line By-pass

3.1 Horizontal Relationships

A horizontal relationship is a relationship between people who are on the same level in the organisation.

For example:

* The personnel and production managers
* Supervisors in the same department
* The sales manager and training manager

ACTIVITY 34
Time guide 2 mins

Bearing in mind what you know about the flow of authority in organisations, would you say any of these people has any authority over each other?

YES/NO

Would you say there is a formal relationship between any of these pairs of people?

YES/NO

Since, as we have seen earlier, authority flows down through the organisation and not across, none of these people will have any authority over the other. Neither is there any formal relationship, direct nor indirect, between them.

They are each independent of the other.

OR ARE THEY?

As far as formal relationships are concerned they are.

But let's have another look at a problem we considered earlier.

ACTIVITY 35
Time guide
4 mins

The sales manager has received a request from one of his best customers for an additional two hundred products to be delivered by Friday. If he does not satisfy the customer the firm may lose future orders.

Having checked the stores, there are no extra items available at this time and it is unlikely that the goods could be delivered on time even if they were available.

The sales manager must solve two problems to satisfy the customer.

* How to get the extra goods

* How to deliver them

Whichever system of organisation is in operation the sales manager will have no authority over either of these functions. Neither direct nor indirect relationships will exist between the sales manager, the production manager and the distribution manager.

* Suggest how he might tackle this problem through formal relationships and informal relationships.

Formal relationships

* _____

_____

_____

Informal relationships

* _____

_____

_____

Let's look at the two possibilities

* Formal relationships

If the sales manager has to follow the formal relationship of the organisation it is likely that this will mean.

* informing his boss - the Marketing Manager who in turn will have to inform the Chief Executive

* the Chief Executive making a decision and informing the Production Manager and Distribution Manager that this order should be met

Coming as an order from above both the production and distribution managers will have to alter their arrangements and may not take too kindly to the upset in their programmes. This formal procedure will take time and involve decisions by a number of people. This could mean delays in starting the production and the goods may still not be ready in time.

* Informal relationships

The existence of informal relationships between these managers would avoid the conflicts and delays in meeting the order.

A good working relationship between the managers would help them recognise that co-operating with each other would benefit all of them individually and the firm as a whole. A direct request by the sales manager may solve the problem without any fuss.

To achieve this type of relationship workers and managers must appreciate and be sympathetic to each other's problems. They must also recognise, that although formal relationships appear to show independence, all departments in the firm must work together if the objectives are to be achieved.

For example, if the objective is to produce and sell washing machines then the production department must produce enough to meet the orders secured by the sales team.

If it fails to do this customers and future sales may be lost. This would result in a rundown in production and eventually the firm would have to close down.

Informal relationships are created through a spirit of co-operation between workers. A kind of:

"You scratch my back - I'll scratch yours"

attitude between the workers in the firm and a willingness to help each other out in difficult situations.

ACTIVITY 36
Time guide
3 mins

Another supervisor with whom you get on well asks you informally to do him a favour to help out with a problem in his section.

Do you think you would agree to help

* for the satisfaction of helping a friend or colleague ☐

or

* because it was in the interests of the organisation that supervisors should cooperate with each other? ☐

Often the benefits to the firm are ignored in such relationships. The personal satisfaction of helping a colleague is more important to the individuals concerned. Doing the job because you want to rather than being ordered to is more satisfying to the individual.

In fact, we can say that informal relationships do not come about because of the organisation system. They arise from personal liking, or the ability to get on with somebody or the recognition of having something in common which may contribute to working together.

Let's look at how this might be of benefit to the supervisor.

In Part A we identified a conflict between responsibility and authority.

You may remember the situation.

> The supervisor needed to increase production but could not obtain the required parts from the stores.
>
> The store's supervisor would not allow the parts to go out without the correct order slips and the office was closed for the day.

If a good informal relationship had existed between the two supervisors the stores supervisor would probably have ignored the formal system and allowed the parts to be given out and made a note to get the order slip the following day.

* The supervisor would have achieved his target

* The sales manager would have satisfied his customer

* The firm would have improved effectiveness in meeting customers' demands

In fact everyone would be happy.

However, the strict application of formal relationships would prevent this and as a result:

* would cause frustration and conflict between the supervisors

* would prevent the supervisor meeting his target

* the sales manager would be unable to satisfy his customer

* the firm might lose future business

So there's a lot to be said for informal relationships. But let's look at this situation more closely.

The supervisor needs to increase production but can't get the parts from stores because the office staff have gone and he can't get the correct order slips.

ACTIVITY 37
Time guide
3 mins

Suppose this situation begins to happen regularly and the supervisor often has to ask the stores supervisor to let him have parts unofficially, promising to let him have the paperwork the next day.

Would you say the organisation system is working effectively? YES/NO

I hope we agree that the answer is No. The stores supervisor may change, or may tire of the arrangement and then the supply of parts to production would break down.

What's more all the time this informal relationship is being relied on, the managers responsible for production and stores documentation won't realise there is a problem and that some change needs to be made in the organisation to get over it.

So we can say that, in practice, businesses need the cooperation which goes with informal relationships to meet sudden changes, special situations and hiccups in the day-to-day running of the organisation. But it is <u>not</u> a good thing to depend on informal relationships to any great extent and if you do, it usually suggests that something is wrong with the <u>formal</u> organisation system.

As a supervisor you need to be aware of the informal arrangements which your workteam have with other people in the firm.

Often people adapt to change before organisations do and may find more effective ways of getting things done which ought to be built into the formal arrangements.

3.2 'Ad Hoc' Relationship

What do we mean by an ad hoc relationship?

I see this as being a link with other working groups or departments specially set up and maintained for some specific purpose. The purpose may be to obtain information, or to discuss projects or activities which may affect both departments.

ACTIVITY 38
Time guide
3 mins

Suppose, for example, some record keeping in your section is being computerised. To start with it means more work for your workteam keying information into terminals but you should get better quality information back in the end which will help you plan your workteam's jobs more efficiently.

You're having some difficulty doing what the computer section are asking you to do and you've had one or two ideas which you would like to see included in their computer programs to improve the quality of the information you are getting back.

What would be the quickest way to sort out your problem and put your ideas across to the computer section?

* _____

_____

_____

Probably the quickest way to get a response is to see somebody in the computer section, the programmer writing the programs you'll use for instance, and deal with him face-to-face.

Such a relationship can provide the supervisor with information much more quickly than the formal approach. Likewise other departments may be able to test out ideas and find out opinions from supervisors about possible changes in work practices without making it appear to be ordered as it would by a formal approach.

It should be made clear, at this stage, that such a relationship does not commit either department to decisions which may affect other groups outside of the relationship.

Like horizontal relationships this method is useful and time saving as it cuts across formal lines of control.

A major benefit over horizontal relationships is that it is not confined to the same level and it is therefore possible for the supervisor to establish such a relationship with someone at a higher level of authority.

For example, the supervisor could establish a relationship with the training manager from which they might exchange ideas on training methods.

Such discussion could lead to improvements being made without either feeling that they are being imposed upon.

ACTIVITY 39
Time guide
3 mins

Jot down three ways in which an ad hoc relationship differs from an horizontal relationship.

* _____
* _____
* _____

In my opinion the main differences are:

* Horizontal relationsips exist mainly as working relationships, that is, co-operation between groups which enable each to get on with their job.

* 'Ad Hoc' relationships allow much wider scope and can penetrate a larger number of departments, at different levels. This type of relationship is usually established for specific purposes such as discussing future projects, or to obtain information or opinions from outside your own department.

* Both types will enable the firm to operate much more smoothly and efficiently as they avoid the formal approach necessary in traditional systems of organisation.

3.3 Line By-pass Relationship

If a formal relationship is followed then information is passed directly up and down the line from one manager to another.

But this can take time and information may be distorted as it is passed from one person to another. So sometimes, where time is very pressing or it's very important that clear details are passed on, managers may by-pass the normal relationship.

For example, the production manger may by-pass the manufacturing manager and go directly to the supervisor, or even the worker at operator level, and issue orders directly.

ACTIVITY 40
Time guide
2 mins

Suppose you were the supervisor in this situation. How do you think you would feel about the manager dealing directly with one of your workteam?

* _____

_____

I think you are likely to feel fairly annoyed unless you knew the reason for this course of action.

It shouldn't be done as a matter of course but only

* where time is an important factor in getting the information across
* when facts are required which are best obtained from the person concerned

But I hope we can agree that line by pass should only be used in cases of great urgency and as a last resort.

ACTIVITY 41
Time guide
3 mins

Suggest one useful purpose of establishing each type of INFORMAL RELATIONSHIP we've looked at.

The relationships are:

	Purpose
* HORIZONTAL	
* 'AD HOC'	
* LINE BY-PASS	

You could have given a number of suggestions here.

For HORIZONTAL RELATIONSHIPS the purpose could be:

* To avoid conflicts
* To avoid delays
* To improve efficiency

For 'AD HOC' RELATIONSHIPS the purpose could be:

* To avoid bottlenecks
* To save time
* To exchange ideas
* To obtain opinions from others

For LINE BY-PASS RELATIONSHIPS the purpose could be:

* To save time
* To obtain facts

You may have come up with some more which I haven't mentioned here.

It is probably true to say that they exist in almost all organisations but are more effective in some than in others and we can't show them in any diagram of an organisation structure.

The existence of informal relationships depends on the co-operation of individuals on the same level of management but in different departments. Informal relationships do not replace any formal relationships which exist, but they often allow individuals to by-pass the formal structure and are quicker and usually more effective in achieving results.

4 Summary

* Relationships in organisations can be formal or informal.

* Formal relationship are described as

  DIRECT

  and INDIRECT

  These are created by the traditional design of organisation structures.

* Informal relationships may be: HORIZONTAL OR LATERAL
  'AD HOC'
  LINE BY-PASS

* Horizontal relationships are created between people on the same level within the organisation.

* 'AD HOC' relationships are established outside normal levels and often in different departments.

* Line by-pass relationships operate inside the line function but jump or by-pass some levels of management.

* Informal relationships are essential to the smooth running of all organisations.

Maybe you would like to check some points about relationships.

Here are some self checks which will help you.

SELF CHECK 4
Time guide
5 mins

Complete the following:

(1) Relationships in organisations may be:

a) _____

OR

b) _____

(2) Formal relationships are a direct result of the _____

_____

(3) The following are either formal or informal types of relationship.

Decide which is formal and which informal

a)	HORIZONTAL RELATIONSHIP	FORMAL/INFORMAL
b)	INDIRECT RELATIONSHIP	FORMAL/INFORMAL
c)	'AD HOC' RELATIONSHIP	FORMAL/INFORMAL
d)	LINE BY-PASS RELATIONSHIP	FORMAL/INFORMAL
e)	DIRECT RELATIONSHIP	FORMAL/INFORMAL

(4) Decide whether the following statements are TRUE or FALSE.

a) Informal relationships improve the efficiency of the firm. _____

b) Formal relationships exist only in "line organisation". _____

c) Informal relationships are planned by management. _____

The answer to this self check is here in the following words, so you'll have to check your answers carefully: (1) a) formal; b) informal. Although relationships may be of various types they would fall into one of the two categories mentioned above. Therefore all relationships will be either formal or informal. (2) organisation system - Formal relationships follow the direct and indirect lines of authority and responsibility in an organisation i.e. you have a formal relationship with your manager, your superior in the organisation, and with your workteam, your subordinates in the organisation. (3) a) horizontal relationship - informal; This relationship is formed between people on the same level in the organisation. For example, between managers or between supervisors. As they are not directly linked it is informal. b) indirect relationship - formal; This relationship is created by line and staff system of organisation. Staff functions advise line managers and although the staff managers have no direct authority over line managers it is expected that they discuss problems before decisions are made. c) 'ad hoc' relationship - informal; This relationship is created between people in different departments and different levels in the organisation. Usually it is used to obtain information or opinions of people outside your own department. There is no direct link between such people and neither has the right to control or direct the other. d) line by-pass relationship - informal; This relationship allows you to "by-pass' others above or below you in the line of control. Instead of following the formal line of control it is possible to jump two or maybe three levels and deal directly with another higher or lower level of worker in the organisation. For example, your manager could 'by-pass' you and go directly to a member of the workteam. Likewise, in some situations you may 'by-pass' your manager and deal directly with his superior. This relationship can be useful if time is important or where facts are required. We could relate it to the saying: "Straight from the horse's mouth". e) direct relationship - formal; This is created through the flow of authority in the organisation. It represents the line of control running through the organisation. It is there, whether you want it or not, you have to accept it. (3) a) true; Informal relationships save time and improve job satisfaction in the workers involved. This in turn means that efficiency improves. Without some informal relationships, many firms would grind to a halt or frustration would set in as the process of decision making of a formal relationship may take too long: b) false; formal relationships exist in all systems of organisations. They are necessary to show the chain of command, or line of control. They identify levels of authority. However, informal relationships exist alongside these: c) false; Informal relationships are not planned. They exist through the co-operation of workers. It may be that management allow for them in running the business, but they cannot plan how they will operate. Whereas, formal relationships can be designed and planned by management.

PART D PERFORMANCE CHECKS

1 End Check

Time guide 60 mins

You may review your understanding of the Unit as a whole by completing this group of questions. DON'T GUESS THE ANSWERS - if you're not sure look back into the Unit and check before responding.

If you are still unsure then put a question mark against your response before proceeding.

TRUE/FALSE

Respond to each statement by writing TRUE or FALSE in the space provided.

1 Authority flows downward through an organisation. _____

2 Responsibility and authority are NOT related. _____

3 Line organisation is the most commonly used system. _____

4 Staff managers have direct authority over line managers. _____

5 'Staff' managers act as advisors to line managers. _____

6 Traditional organisation systems create informal relationships. _____

7 A horizontal relationship is a type of formal relationship. _____

8 Informal relationships exist in all organisations. _____

COMPLETION

Respond by completing each sentence with a suitable word or words.

9 Authority and responsibility must go _____.

10 Responsibility flows _____ through the organisation.

11 Formal relationships are created by the design of the _____ _____.

12 "AD HOC' is a type of _____ _____ .

13 In functional organisation the supervisor is _____ to a number of people.

14 Indirect relationships are found in _____ ____ _____ organisations.

15 Informal relationships improve _____ in the organisation.

16 Small firms are more likely to operate _____ organisation.

MULTIPLE CHOICE

Respond to each of the following by selecting which answer you feel is most correct.

17 In any organisation ultimate authority rests with:

a) The supervisor

b) The functional manager

c) The department manager

d) The chief executive

18 Informal relationships may be:

a) Indirect

b) Horizontal

c) Direct

d) Vertical

19 Which of the following is a type of FORMAL RELATIONSHIP?

a) Horizontal

b) 'Ad Hoc'

c) Indirect

d) Line By-pass

20 Line organisation is sometimes referred to as:

a) Informal

b) Vertical

c) Horizontal

d) 'Ad Hoc'

21 In functional organisation managers:

a) Act as advisors

b) Have no authority over line managers

c) Have authority over some line managers

d) Have authority over all line managers

22 Formal relationships reflect:

a) The flow of authority

b) The levels of management

c) Individuals' responsibilities

d) The efficiency of the firm

23 Line and staff organisation creates:

a) An 'ad hoc' relationship

b) A direct relationship

c) A lateral relationship

d) An indirect relationship

24 An organisation system is designed:

a) To suit the managers

b) To create levels of management

c) To suit the needs of the firm

d) To reflect responsibility

END CHECK - Checkout

Audio Tape Side 2 Time guide

The answers and explanations for these End Checks are on Side 2 of our Audio Tape. Have your responses with you as you play this tape. As you listen you can check out how well you have done and make notes as you proceed.

2 Tutor Check

Time guide 60 mins

Read the following case incident carefully, then answer the accompanying questions.

Case incident

Standfast Safety Products manufactures a wide range of safety equipment and clothing. At their factory in Cornwall, one of five in the country, they manufacture disposable boiler suits, headwear and face masks from non-woven polymer fabric.

The plant manager is responsible for all technical and financial matters on site though obviously, his decisions have to be within the framework of company policy and plans. His management team comprises the production manager, technical manager, quality assurance manager, personnel manager and administration manager.

Each of them is responsible for the following staff:

The production manager has two foremen, six supervisors and sixty operators engaged on production and packing. Packing is a small unit on which two of the supervisors and ten operators are fully engaged.

The technical manager has four technical engineers working for him who do all their own administrative work but who give their typing to the office supervisor who works for the administration manager. The technical manager has to work closely with the quality assurance department since they are making a highly technical product which has only been launched fairly recently. The technical manager has two quality assurance engineers and a technician in his department. The personnel manager, who is responsible for employing all staff, welfare, administration of salaries and pensions, safety training, has a full-time safety and training officer and a secretary in his department.

The administration manager handles local purchasing, planning and scheduling, invoices and office administration. Reporting to him is the office supervisor who supervises four clerk typists, two planning and scheduling supervisors, who each have four clerks, and a graduate computer coordinator who is computerising several of the factory's planning, scheduling, production and forecasting procedures so that the factory can make more use of the company's main-frame computer at head office.

The whole management team is involved in the computerisation programme and they are very dependent on the computer coordinator's knowledge and expertise to get the programme going in their departments. At present he's trying to give as much time as he can to one of the technical engineers who seems particularly interested in using computer technology in his area to improve process engineering but it's hard for them both to find the time and they frequently find themselves staying late to chat about possible ways of using the computer better.

One of the coordinator's main headaches is that there is so much data to be entered before the factory can make effective use of the computer programs available. He hammers away at a keyboard himself whenever he can and the office supervisor lets him have help from one of the typists when office work is slack. The planning and scheduling clerks and supervisors have been on a computer appreciation course at head office but they're fully stretched running the manual system and, in any case, still seem very reluctant to use the new technology. He can't really ask them to put in even more time entering data. But he feels the situation is reaching crisis proportions.

Head office insist that the computerisation programme must be complete by the end of the year. With full-time help from two competent V.D.U. operators he could just about make it in time but without extra, regular help, it can't be done.

When the administration manager talks to the plant manager and the personnel manager about the problem the plant manager slides a head office memo across the desk to him.

"I've just had this morning from the Personnel Director. Absolutely no appointments of new staff or replacement of staff who leave until further notice. You'll have to re-deploy somebody I'm afraid, if it's as bad as you say".

You only need to write ONE or TWO sentences against each question.

1 From the information provided draw up an organisation chart for the Cornwall factory of Standfast Safety Products, showing

   a) Line relationships

   and/or b) Functional relationships

   and/or c) Line and staff relationships

   between people in the organisation.

2 Identify the style of organisation system being operated.

3 What type of relationship might exist between the following people:

   a) production manager and personnel manager

   b) the computer coordinator and technical engineer

   c) supervisors and training officer

   d) the computer co-ordinator and the administration manager?

4 Assuming that re-deployment of staff is possible who, in the organisation, would have the authority to deal with this?

5 How would <u>you</u> attempt to overcome the problem?

Send to Tutor

Now get your answers to your study tutor either by post or handing it over personally. You will receive your tutor's assessment and comment back through the post as soon as can be managed.

3 Work-based Project

Time guide 60 mins

Think of three incidents at work where, as a supervisor, you have relied on informal relationships to get a certain job done or where somebody has relied on their informal relationship with you.

In each case:

1) Identify i) The incident

ii) The type of relationship

iii) The reasons why you opted to deal through informal rather than former channels.

2) For each of the incidents mentioned in 1):

i) Did it achieve the required result?

and ii) Could the result have been achieved in any other way?

If so say how.

iii) Would you suggest any changes in the organisation as a result of these incidents?

Send to Tutor

Now get your answers to your study tutor either by post or handing it over personally. You will receive your tutor's assessment and comment back through the post as soon as can be managed.

PART E UNIT REVIEW

1 Return to objectives

Having completed your work on this unit let's review how you feel about each of our five opening objectives. I will repeat them here and add comments.

You should be better able to:

* **DISTINGUISH BETWEEN AUTHORITY AND RESPONSIBILITY AND SEE HOW THEY RELATE TO EACH OTHER**

It's all too easy to feel that at work there are a number of things we 'have to' do. Thinking about this objective should have given you the opportunity to stand back from the job a little and think about what your responsibilities are and whether you have the necessary authority to make sure they are fulfilled. You will have realised that, unless responsibilities and authority balance each other, it's very difficult to do the job effectively.

Now to our second objective. You should be better able to:

* **COMPARE THESE RELATIONSHIPS IN DIFFERENT FORMS OF ORGANISATIONS**

Having a knowledge of different forms of organisation structure you should now be able to identify the flow of authority and responsibility in each. This will enable you to make comparisons of any differences that exist. You can then identify the benefits and drawbacks of each system.

This will lead you to achieve our third objective.

Our third objective reads: You should now be better able to:

* **APPRECIATE HOW THE EXTENT OF A SUPERVISOR'S AUTHORITY VARIES WITHIN DIFFERENT ORGANISATIONS**

Knowing how different structures operate and the effect of these on individuals' authority, you will now appreciate how your role in your own organisation may be quite different from a supervisor's role in another organsiation.

Our fourth objective reads: You should now be better able to:

* **IDENTIFY AND COMPARE THE BENEFITS OF FORMAL AND INFORMAL RELATIONSHIPS WITHIN ORGANISATIONS**

You will now be able to identify formal relationships created by the organisation structure. You will also be aware of informal relationships, how they can be created and the benefits that result from these - both for the supervisor and for the organisation as a whole.

This will help you to achieve our last objective.

Our fifth objective reads: You should now be better able to:

* **OPERATE EFFECTIVELY WITHIN YOUR PARTICULAR ORGANISATION**

You will now be fully aware of the formal relationships that are created by the organisation structure. This indicates who you are responsible to at work and therefore the line of control that you should follow. However, you now know that this is not the only route that you may take and that you may also effectively use one or more of the informal relationships which exist.

That ends our review. I hope that this work you have done was both enjoyable and useful and that it will encourage you to continue your studies.

2 Extensions

I recommend that you take up as many of these extensions as you can. They will further increase your understanding and interest. You will also be able to check out a number of the ideas that I mention in the unit. The extra time and effort will prove worthwhile.

EXTENSION 1

Book: "Organisational Behaviour" - Understanding and Prediction
See Chapter 3, Page 55-63 Administrative Management

Author: H Randolph Bobbitt/Robert H Breinholt
Robert H Doktor/James P McNaul

Publisher: Prentice Hall

This section expands Fayol's theory of administrative management. The studies of Fayol and others are useful to understand the concepts of management theory which are the backbone of most organisation structures.

EXTENSION 2

Book: Organisational Behaviour - Understanding and Prediction
Chapter 3 Page 52-55 Scientific Management

Author: H Randolph Bobbitt/Robert H Breinholt
Robert H Doktor/James P McNaul

Publisher: Prentice Hall

This section of the book illustrates F W Taylor's views of a scientific approach to management. The use of functional foremen at operative level introduces the idea of specialisation. This idea was the foundation of modern organisation structures.

EXTENSION 3

Book: Mastering Basic Management
See section 8.5 (D) Committee Organisation

Author: R C Eyre

Publisher: Macmillan

You may wish to compare this organisation structure with the more traditional styles. The author describes the structure and illustrates its potential. The advantages and draw backs are highlighted so that you can judge its suitability for yourself.

EXTENSION 4

Book: Managing People at Work

Author: John Hunt

Publisher: Pan

This book will explain in more detail how matrix management works. It may not be a structure you are familiar with but will be a useful alternative for some specific situations.

EXTENSION 5 Book: Leading Change
Unit 15 The Choice Series

Author: Ysanne Carlisle

Publisher: Northern Regional Management Centre

This unit deals with designing new organisation systems which will enable businesses to make the best use of their available resources to meet new and changing demands.

EXTENSION 6 Book: People and Work Organisation
See section 2.4 Human Relations Model

Author: J G Capey and N R Carr

Publisher: Holt, Rinehart, Winston

This introduces the social needs of workers by looking at Elton Mayo's studies which are known as "The Hawthorne Experiment". You can compare his views on work organisation with those of Fayol and Taylor.

These extensions opportunities can all be taken up via your Resource Centre.

They will either have the materials or arrange that you have access to them. However, it may be more convenient to check out the materials with your personnel or training people at work - they may well give you access. There are good reasons for approaching your own people, for example they will become aware of your interests and you can involve them in your development.

3 References

REFERENCE 1
Book: Supervisory Management
Author: David Evans
Publisher: Holt, Rinehart and Winston

REFERENCE 2
Book: Mastering Basic Management
Author: E C Eyre
Publisher: Macmillan

REFERENCE 3
Book: Supervisory Studies
Author: P W Betts
Publisher: Macdonald Evans

These references can all be taken up via your Support Centre. They will either have the materials or will arrange that you have access to the materials. However it may be more convenient to check out materials with your Personnel or Training people at work - they may well give you access. There are other good reasons for approaching your own people, for example they will become aware of your interest and you can involve them in your development.

If you do wish to make use of these references then don't think that you must read them right through. Just dip into them for a slightly wider treatment of the topic raised in the unit.

I should warn you that the language and style of writing is often difficult to cope with, so don't struggle with it too much. Do what I do when in difficulty, put the book back on the shelf and find a better one!

THE CHOICE SERIES

PRINCIPLES AND PRACTICE OF SUPERVISION

11 Needs and Rewards
12 Enriching Work
13 Workteams
14 Team Leading
15 Leading Change
16 Organisation Systems
17 Supervising in the System
18 Supervising with Authority
19 Workplace Control
20 Taking Decisions

TECHNICAL ASPECTS OF SUPERVISION

30 Looking at Figures
32 Using Graphs
33 Method Study
34 Easy Statistics
35 Quality Control
37 Controlling Output
38 Value Analysis
39 Quality Circles
40 Computers
41 Stores Control
42 Managing Time
43 Descriptive Statistics
45 Supervisors & Marketing

COMMUNICATION

60 Communicating
61 Speaking Skills
62 Writing Skills
63 Communication Systems
64 Orders and Instructions

ECONOMIC AND FINANCIAL ASPECTS

70 Accounting for Money
71 Control via Budgets
72 Cost Reduction
73 Wage Payment Systems
74 The National Economy

INDUSTRIAL RELATIONS

80 Training Plans
81 Training Sessions
82 Discipline and the Law
84 Health and Safety
85 Industrial Relations in Action
86 Equality at Work
87 Hiring People
88 Supervising and the Law